



THE CITY OF SAN DIEGO
MANAGER'S REPORT

DATE ISSUED: January 5, 2005

REPORT NO. 05-005

ATTENTION: Honorable Mayor and City Council,
Agenda of January 11, 2005

SUBJECT: Torrey Pines Golf Course Projects
A. North Course Maintenance Improvements
B. Clubhouse Reconstruction Project

SUMMARY

Issues – Should the City Council approve implementation of:

A. North Course Maintenance Improvements

1. Certify that the Mitigated Negative Declaration has been completed in compliance with the California Environmental Quality Act of 1970.
2. Adopt the Mitigation, Monitoring and Reporting Program.
3. Authorize the City Manager to enter into an agreement not to exceed \$3,332,591 with Kubly Golf Course Construction Inc. for the execution of a design/build contract for the Torrey Pines Golf Course North Course Maintenance Improvements.
4. Authorize the City Manager to establish a nine hole rate for the South Course.
5. Authorize the City Manager to adopt a schedule for discounted visitor greens fees as needed to accommodate construction of the North Course Maintenance Improvements.

B. Clubhouse Reconstruction Project

1. Authorize the City Manager to enter into negotiations with the Century Club for design and construction management for the construction of a new clubhouse at the Torrey Pines Golf Course.

Manager's Recommendations –

A. North Course Maintenance Improvements

1. Certify that the Mitigated Negative Declaration has been completed in compliance with the California Environmental Quality Act of 1970.
2. Adopt the Mitigation, Monitoring and Reporting Program.
3. Authorize the City Manager to enter into an agreement not to exceed \$3,332,591 with Kubly Golf Course Construction Inc. for the execution of a design/build contract for the Torrey Pines Golf Course North Course Maintenance Improvements.
4. Authorize the City Manager to establish a nine hole rate for the South Course.
5. Authorize the City Manager to adopt a schedule for discounted visitor greens fees as needed to accommodate construction of the North Course Maintenance Improvements.

B. Clubhouse Reconstruction Project

1. Authorize the City Manager to enter into negotiations with the Century Club for design and construction management for the construction of a new clubhouse at the Torrey Pines Golf Course.

Other Recommendations – On November 17th 2004, the Natural Resource and Culture Committee unanimously accepted the report outlining the North Course Maintenance Improvements and the Clubhouse site selection. The Committee recommended forwarding the item to the City Council for formal action.

Environmental Review – A Mitigated Negative Declaration has been prepared for the project in accordance with State of California Environmental Quality Act (CEQA) Guidelines. A Mitigation, Monitoring and Reporting Program (MMRP) has been prepared and will be implemented which will reduce, to a level of insignificance, any potential impacts identified in the environmental review process.

Fiscal Impact – Implementation of the North Course Maintenance Improvements design/build contract will require the expenditure of \$3,332,591 from CIP#25-005.0, fund #41400, Golf Enterprises Fund.

Establishment of a nine hole rate for the South Course will enable a limited amount of nine hole play, displaced from the North Course, to be accommodated on the South Course. This play will also offset a portion of the lost revenue due to the North Course Maintenance Improvement Project.

Establishment of discounted greens fees during construction of the maintenance improvement project will reduce revenues during construction. The revenue losses due to construction have been previously estimated as part of the FY 05 Golf Operations budget.

BACKGROUND

During the late 1990s, the greens on both the North and South Courses at Torrey Pines began to manifest symptoms of their age and high use. In general, maintenance staff was not able to manage and maintain them at a level that was consistent with the expectations of the general golfing public. The poor condition of the greens was compounded by wetter than normal conditions, which resulted in greater than normal drainage and pest problems. These conditions began to clearly show the age of the greens. One of the primary issues affecting the greens condition was the complete failure of each of the greens profiles. Due to the age of the greens, the sub-base or profiles of the greens were completely clogged and the sub-drainage systems had collapsed. As a result of these conditions, golf course management and other stake holders began to consider reconstructing the greens to address the poor conditions. During these discussions, the North Course was identified as the priority project and reconstruction of the greens was anticipated in early 2000.

At about the same time, members of Century Club began discussions with the United States Golf Association (USGA) regarding securing a future US Open Tournament at Torrey Pines. As a result of this interest, the South Course was renovated in 2001 and subsequently selected for the 2008 US Open. Focus on the US Open and the South Course renovations required delaying the reconstruction of the greens on the North Course. Fortunately, during this time local weather was drier than normal and staff was able to satisfactorily address greens conditions. Following completion of the South Course, staff was able to focus on maintenance improvements at the North Course, and in FY 2003, reconstruction of the North Course greens was scheduled in the Capital Improvements Program (CIP) approved by the City Council.

Currently, drainage conditions on the North Course are worse than those of the South Course prior to renovation. A typical four inch profile of a North Course green drains at approximately 0.02 inches per hour. The South Course greens prior to reconstruction drained at 0.04 inches per hour. A goal for a newly reconstructed USGA specification green is approximately 35-40 inches per hour. The significantly higher drainage infiltration rates achieved through reconstruction allow a green to accept and process peak storm events without negative impacts to the turf, thus allowing play to resume sooner without damage to the greens. A proper green profile also allows maintenance staff to properly flush the turf root zone and eliminate salts and other mineral build up.

DISCUSSION

The purpose of this report is to update the City Council regarding two proposed projects at the Torrey Pines Golf Course. As part of the update, staff is seeking authorization from the City Council to enter into a design/build contract with Kubly Golf Course Construction, Inc. for the design and installation of maintenance improvements to the North Course at Torrey Pines. Staff is also seeking authorization to enter into negotiations with the Century Club regarding the design and construction management of a new clubhouse, parking lot renovations and a new Century Club/Tournament building.

1. North Course Maintenance Project

The general scope of this work will include reconstructing the greens, greenside bunkers and re-leveling tees. This construction is scheduled to start in February 2005, immediately following the Buick Invitational, and should be completed prior to the Junior World Tournament in July 2005.

In preparation for this project, staff has worked diligently with the golf course architect to develop and refine a scope of work that will address the long term maintenance concerns for the course without changing its current character. As part of this refinement process, staff has solicited and responded to concerns from all interested parties. Based on comments received, the project has been focused on core maintenance issues. This refined scope of work has been discussed and generally supported by representatives from the Golf Advisory Committee, the Men's and Women's Golf Clubs, the Women's Nine Hole group, the Lodge at Torrey Pines, the Torrey Pines Hilton and Torrey Pines Club Corporation.

The scope of work for this maintenance project is intended to improve overall course conditions and expand pin placement options, thereby improving maintainability of the course for daily users and increasing the challenge level for professional tournament play.

The specifics of this work include:

- A. Rebuilding all of the existing greens. All of the greens will be rebuilt substantially in their current locations with the exception of the 18th green. This green would be relocated approximately 40 yards to the north to accommodate the construction of a new clubhouse, and the hole will be changed from a par five to a par four. Reconstruction of the greens will not impact any existing trees. A possible exception could be the relocation of trees to the new 18th green complex.

The reconstruction will include rebuilding the greens to conform to current USGA standards. This work will require construction of a completely new underground drainage profile for each of the greens. The existing greens do not include any of the recommended elements of the USGA green structure nor do they include a much needed drainage system. In addition to conforming to USGA standards, the new

greens will provide additional pin placement options, improving the long term maintainability of the greens by reducing wear patterns.

Currently, the construction process is scheduled to include hydro-mulching with material from the existing *Poa annua* greens with Penncross seed. This process will provide a nurse crop of Penncross and accelerate the re-establishment of the *Poa annua* as the primary greens turf.

- B. Rebuilding all of the existing greenside bunkers on the golf course as well as constructing two new greenside bunkers, one each at holes three and eight. The project will also construct a new bunker complex along the 13th fairway, which will consist of four new bunkers. The design and placement of this complex is intended to improve the challenge level for tournament play.

In order to maintain playing conditions consistent with those that currently exist on the North Course, the new North Course greenside bunkers will generally be shallower and closer to greens than the bunkers adjacent to South Course greens. This work will maintain the current playing experience while improving the bunker conditions and their long term maintainability.

- C. Re-leveling nearly all of the tee box areas as well as constructing a new tournament tee box at hole number three and expanding the tee area at hole number eight. As part of this work the designer will also investigate the placement of a few forward tees on the longer holes. This work will increase the setup options for the course, which will in turn reduce wear and allow the course to be arranged in appropriate configurations to address general user and tournament conditions.
- D. As part of the project, the two existing ponds at the 17th hole will be combined and deepened. This work will improve the course aesthetics and maintainability of the water feature.
- E. In order to maintain the best possible greens conditions following the reconstruction, the contractor will construct a nursery growing area for greens turf. This area will be approximately 20,000 sq. ft and it will be located between holes five and eight.
- F. As part of the North Course work there will be some minor upgrades to both courses. These improvements include updating tee markers for the North Course to be consistent with the South Course, providing directional signage for both courses and replacing site furnishings such as benches and golf ball-washers.
- G. With the selection of the South Course for the 2008 U.S. Open staff has been examining how to proceed with the implementation of a few minor course improvements needed to prepare for the event. The areas of work that will be done concurrently with the North Course Maintenance Improvements include the addition of two or three new fairway bunkers along the 6th hole, expanding the tee size on five or six of the tournament tee areas and the replacement of the irrigation heads throughout the South Course. All of these elements can be completed without any

impact to play, and would be implemented simultaneously with the North Course Maintenance Improvements, which will reduce contractor mobilization costs. The final element of work is the re-leveling the landing area on the 18th fairway. This work will impact play and is scheduled to occur at the completion of the North Course work.

- H. While the North Course Maintenance Improvements are under construction, public access will be impacted. Staff has been working with the proposed contractor, the Men's and Women's clubs, Women's Nine Hole group, the Lodge at Torrey Pines, the Torrey Pines Hilton and Torrey Pines Club Corp. to identify and implement ways to minimize the impacts of construction. As a result of these discussions, staff is seeking authorization to establish a nine hole rate for the South Course and to create a temporary discounted visitor greens fee schedule for the North Course. The proposed nine hole rate for the South Course would be \$25 for weekdays and \$30 for weekends. These actions will facilitate accommodating some of the displaced North Course play.

In order to maintain consistency between the two golf courses, and to assure the delivery of a high quality product in a very short time frame, staff recommends contracting with Kubly Golf Course Construction Inc., who performed the construction work on the South Course. The CIP budget approved by City Council is sufficient to cover the \$3,332,591 project cost. Up to \$100,000 dollars of the proposed project funding is eligible for reimbursement by the Friends of Torrey Pines under the existing US Open lease agreement and they have expressed a willingness to reimburse an additional \$100,000 of the consultant fees for the project.

At this time, staff has negotiated with the recommended contractor and the projected costs are:

1. North Course Maintenance	\$2,142,941
2. Consultant services	\$ 425,000
3. Site furnishings and signage	\$ 150,000
4. South Course Irrigation and Minor Adjustments	\$ 364,650
5. Contingency	<u>\$ 250,000</u>
Total	\$3,332,591

In summary, this project will address needed maintenance issues while maintaining the character and high quality experience that is currently available at the North Course.

Alternatives:

1. Postpone the implementation of the North Course Maintenance project until following the 2006 Buick Invitational Tournament.

Staff has reviewed the option of postponing the project and has identified the following potential adverse impacts of a delay.

- As we get closer to the US Open, maintenance preparation and setup for the event will intensify. It is in the best interest of the facility to separate the impacts of these operations as much as possible.
- Maintaining the current schedule will allow maintenance staff to utilize existing greens turf from the North Course on the South Course. This could be done by using greens turf for cup replacements during the renovation period. With this process, established perennial *Poa annua*, from the North Course, would be transplanted to the South Course in 4” diameter plugs every time the pin is moved. During the course of construction this could result in approximately 70 new plugs per green. This process would greatly increase the rate of conversion to perennial *Poa annua* greens and improve the greens conditions for all golfers.
- In the spring of 2005, maintenance staff will begin work to promote and enhance the Kikuyugrass in fairways as well as green and bunker surrounds. This will provide a more consistent playing surface on the South Course. As part of this work, staff is planning to use turf areas of the North Course that would be disturbed by the North Course Maintenance Improvement project. In this process, existing Kikuyugrass turf from the North Course green and bunker surrounds, approaches and tee surfaces that is suitable, would be transplanted to the South Course either as sod or two inch plugs. This material would supplement existing Kikuyugrass and increase the rate of conversion to uniformity. If the project is postponed, this work will be delayed or alternative sources of material would need to be identified.

2. Rebuild the North Course greens exactly as they are today.

It is possible to reconstruct the existing North Course greens as they are today. Staff has identified the following issues associated with this alternative.

- In order to reconstruct the greens as they are, the contractor would need to prepare extensive mapping of the existing conditions. They would also need to spend a great deal of time verifying the reconstructed elevation and grading conditions. This additional work would increase the cost of construction considerably and extend the construction timeline well into the summer, which would displace the Junior World tournament on the North Course and have a significant impact on public play and golf revenues.
- This approach would not improve the long term maintainability of the greens, which would be aided through increasing the number of pin placement options.

3. Do not approve the contract with Kubly Golf Course Construction Inc. for design/build services for the Torrey Pines Golf Course North Course Maintenance Improvements.

Currently, the greens on the North Course appear to golfers to be in satisfactory condition and it may be possible to retain them for some time prior to reconstruction. However, based on their age and high use, the greens are susceptible to failure if the golf course were to experience significant rain or heat. In this case, golf users would be heavily impacted due the possible course closure. A case where similar course conditions existed and a significant rain event caused a course closure occurred at the Spy Glass Hill Golf Facility in the late 1990s. In that case, a PGA event had to be stopped due to fairway drainage issues, resulting in costly emergency repairs, and requiring the rescheduling of the tournament. This work impacted all golf course users and had a significant financial impact on the facility.

The exact number of additional years that could be achieved prior to reconstruction of the North Course greens is not known and would depend largely on weather conditions. With the current soil conditions and the reduced rooting depth of the turf, the greens are susceptible to stress and potential failure due to either exceptionally wet or hot conditions. All agronomy professionals agree the greens are at the end of their useful life and they need to be replaced. Further, if the greens reconstruction is not approved, staff would need to implement an aggressive aerification process. This program would be very aggressive for the first year or two in order to compensate for the reduced aerification that the course has had for the last two years anticipating reconstruction. It would include six or more aerifications per year with at least two deep tine, 1” diameter, applications in the first year. Following the first few years, maintenance staff would evaluate conditions and they may be able to slightly scale back the program.

This type of program would extend the life of the greens. However, the increased greens maintenance will have an impact on all golf user groups and the course will still not have the benefits of a proper drainage system or reduced wear through increased pin placement options.

1. Torrey Pines Golf Course Clubhouse

The City is currently exploring possible locations and programming for a new clubhouse. The new clubhouse will address the needs of overall golf operations at Torrey Pines and provide the facilities needed at this major golf complex. The new clubhouse would include an expanded pro-shop, new administrative areas for Torrey Pines Club Corp and the City, improved Americans with Disabilities Act (ADA) accessibility, possible food and beverage sales, additional storage space along with upgraded cart storage, and maintenance areas. The project will also include expansion and reconfiguration of the parking lot, and construction of a new building for the Century Club. The Century Club is a non profit corporation that promotes youth golf and annually hosts the Buick Invitational Golf Tournament as a fund raiser for its non profit activities. The proposed Century Club building would be funded completely by the Century Club.

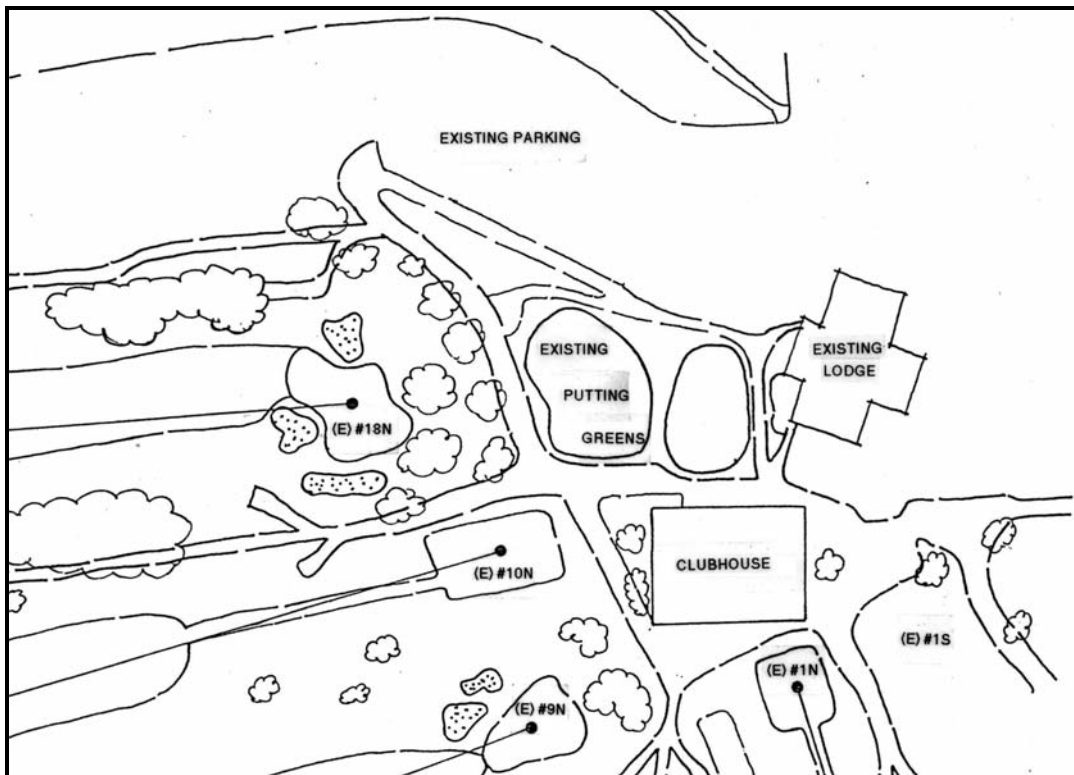


Figure 1 - Existing Clubhouse Location

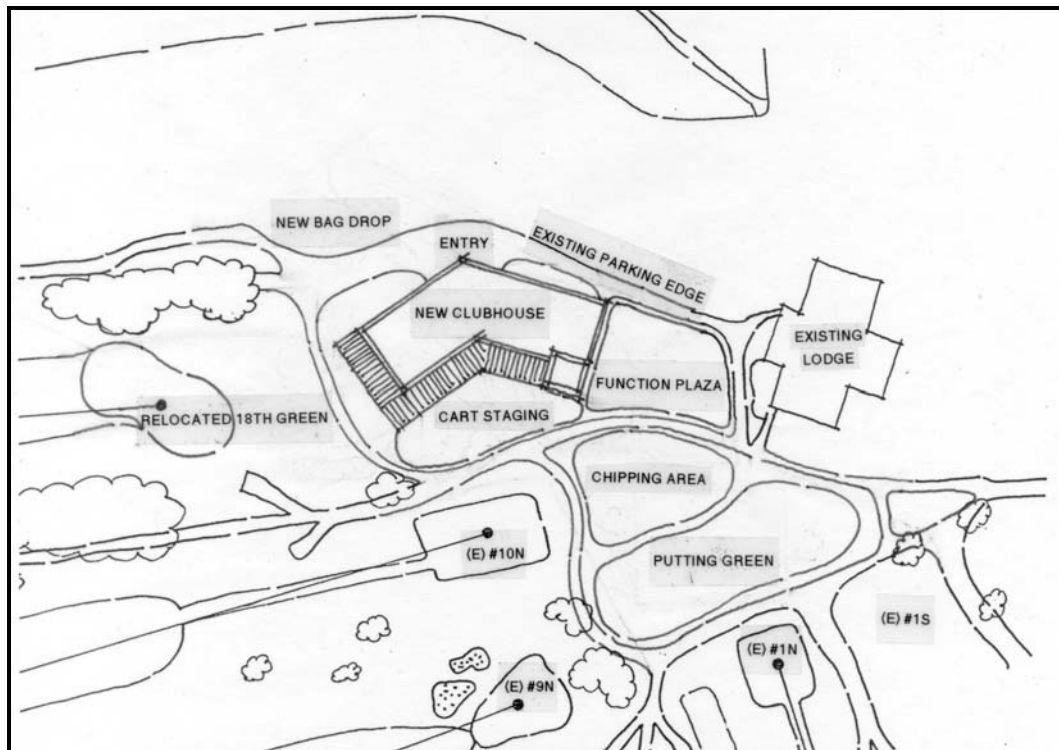


Figure 2 - Proposed New Clubhouse Location

Staff has recently completed a comprehensive review of opportunities and constraints associated with three alternative locations for siting a new clubhouse. The previous graphics show the existing site condition as well as the recommended location for a new clubhouse. This proposed location would require the relocation of the North Course 18th green, which has been included in the scope of work for the maintenance project on the North Course. The proposed location would site the new clubhouse on the existing north practice putting green. This location will improve access to the parking lot and the first tees, and provide improved circulation throughout the area.

The project is targeted for construction starting in spring of 2006. The next key steps in the refinement of this project will include developing a refined building program, creating a project cost estimate and reviewing funding alternatives. At this point staff is interested in investigating partnering with the Century Club for the design and construction of a new clubhouse. A possible approach to this partnering process would include the Century Club funding the construction of the new clubhouse building as part of a reimbursement agreement and lease structure. The Century Club would also provide construction management expertise to the project. City staff would work with the Century Club during plan preparation to assure that all interested users and community groups participate in the design process, coordinate with City reviewing departments and process the project through the California Coastal Commission.

The results of this partnership would be the creation of a new clubhouse for City and a new Century Club building that would provide a location for Century Club and Junior Golf administrative offices and provide tournament lockers for the golf facility.

Alternative

1. Do not authorize the City Manager to enter into negotiations with the Century Club for design and construction management for the reconstruction of the clubhouse at the Torrey Pines Golf Course

Respectfully submitted,

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Bruce A. Herring
Deputy City Manager

OPPENHEIM/MM